

22 March 2022, ASX ANNOUNCEMENT (ASX:LCK)

Climate Active Certification Achieved



- ✓ Leigh Creek Energy Limited (“LCK” or the “Company”) is pleased to advise that it has now been awarded Climate Active certification for its business operations.
- ✓ Year one carbon neutral status achieved and a commitment to maintaining this status through to commissioning and operation
- ✓ LCK will be completing monthly emissions reports during the LCUP construction phase

Climate Active Certification

Climate Active is a partnership between the Australian Government and Australian businesses to drive voluntary climate action. Climate Active certifies businesses that have achieved net zero carbon emissions. The certification process has vetted Leigh Creek Energy’s carbon neutral claim through independent experts to ensure it meets the requirements of the Climate Active Carbon Neutral Standard for Organisations.

To align with the Climate Active standard, Leigh Creek have defined our scope 1, 2 and controllable scope 3 emissions, calculated our carbon inventory, provided evidence of its efforts to reduce emissions and finally acquired and surrendered carbon offsets to achieve carbon neutrality. All these elements are defined in detail on our Public Disclosure Statement (PDS) which can be found on the Climate Active website [here](#).

Certification from Climate Active is considered to be one of the most rigorous and credible carbon neutral certifications available.

Year 1 -Carbon neutral status

LCK is excited to announce that the Company is a certified carbon neutral organisation as part of the Federal Government’s Climate Active Standard. We are excited to be able to make this commitment, and are committed to maintaining this high standard every year.

This commitment is a first step on our mission to reduce our organisations impact on the climate while we

establish our position as Australia's first carbon neutral domestic fertiliser producer to be certified for our business operations.

We have developed an internal strategy to reduce our operational emissions and we will be tracking our Scope 1, 2 and controllable scope 3 emissions on a monthly basis throughout the construction phase. The Emissions Reports will be reviewed by the management team and will enable us to identify emission sources that can be minimised by adjusting operations accordingly or otherwise offset.

LCK Emissions Reduction Strategy

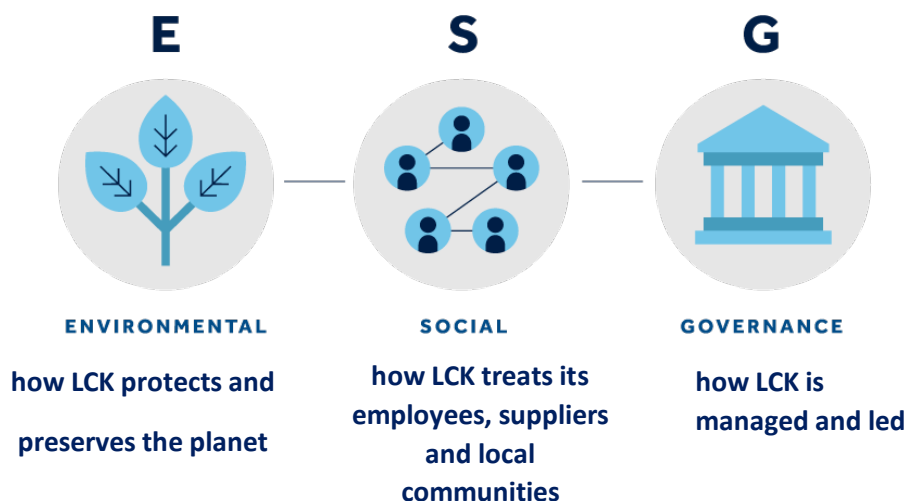
LCK is committed to reducing its carbon footprint and becoming the first large scale producer of fertiliser to achieve carbon neutral status for our business operations. LCK is working towards this by embedding this framework in the planning and design phases for the Leigh Creek Urea Project (LCUP).

As LCK develops the Leigh Creek Urea Project, the decarbonisation pathway defined during our prefeasibility study includes these key components:

- CO₂ eradication through urea synthesis and production
- The use of renewable/hybrid electricity to reduce emissions from syngas fired electricity generation
- Carbon Capture and Storage (CCS) - for which feasibility study is complete

Planning and engineering for this carbon neutral outcome is underway through the Front-End Engineering and Design (FEED) process. LCK sees the opportunity to integrate these technologies that will either reduce or capture carbon emissions during the engineering phase of the project. By doing so we expect significant cost savings to be captured through a lack of requirement for retrofitted plant and equipment for carbon reduction strategies.

LCK's ESG processes were established in 2018, these have continued to evolve as we grow.



LCK has a deep rooted ethos to create enduring value to its stakeholders and the communities it engages with. Our leadership team is instilling these values in our employees, as an organisation we are aligned in our commitment to reducing our impact on the environment and making a positive difference.

We are focused on engineering an integrated facility from the ground up, incorporating innovative technology with the aim of producing a carbon neutral fertiliser in the future. We are also exploring opportunities to support local agribusiness to participate in Carbon Farming and other high quality, high integrity offset projects. Empowering these local businesses to develop long lasting practices that will not

only biologically sequester carbon but improve the quality of their land overtime.

LCK Managing Director Phil Staveley commented:

“The award of Climate Active certification is testament to the effectiveness of our carbonization initiatives and our approach throughout the whole design process to keep our project focused on innovative energy efficient solutions. This helps us work towards establishing LCK as a nationally important, carbon neutral urea supplier for local and export agriculture markets.

We were ahead of the curve when we commenced our ESG program in 2018. We are ahead of the curve today in achieving early carbon neutral status. We will remain ahead of the curve as we continue to develop the LCUP in a carbon neutral way.”

The Board of Leigh Creek Energy authorised this announcement to be given to the ASX.

Further information:

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About the Leigh Creek Urea Project

The Leigh Creek Urea Project (LCUP) is Leigh Creek Energy’s (ASX:LCK) flagship project, developing low-cost high-quality nitrogen-based fertiliser for local and export agriculture markets using its proprietary Syngas technology. Located in South Australia, 550 kilometres north of Adelaide, the LCUP will initially produce 1Mtpa (with potential to increase to 2Mtpa) of urea.

LCK has a comprehensive environment, social and governance strategy. LCK is a signatory to the United Nations Global Compact and is proud to have brought forward its carbon neutral status to 2022. LCK is now recognised by Climate Active as a carbon neutral organisation and we are committed to maintaining our carbon neutral status beyond the pre-production phase. In the longer term, our organisation will be working to reduce its carbon intensity and we are engineering the LCUP to be inherently carbon neutral in operation. We will achieve this by using CO₂ to produce urea and with any excess to be captured and sequestered.

The LCUP will be one of the biggest infrastructure projects of its type in Australia, providing long term economic development and employment opportunities for the communities of the Upper Spencer Gulf region, northern Flinders Ranges and South Australia. The LCUP will be the only fully integrated urea production facility in Australia, with all inputs for low carbon urea production on-site.